

CASHOLUTIONS

Control Your Spending

Okay, so your job bagging groceries at the supermarket only pays \$6.00 an hour. We get it. You're a kid, and kids don't make a whole lot of money. But, you've still got to control what you spend no matter how much - or how little - you make. If you learn to only spend a percentage of what you earn, you'll teach yourself good habits that will help you in the long run. Money-smart kids become money-smart grown ups, and they might even teach their *parents* something along the way (how cool would that be?) We tell adults to save at least 10% of their income, and that should go for you too.

Create a Budget and Stick to It

You're in your first job. We told you to control your spending, but how do you do it? By making a *budget*. Handing your money without a budget is like Peyton Manning playing without a playbook. Budgeting will show you exactly how much money you make and teach you to set goals. Passing up that new CD today (or those new shoes tomorrow...) might mean getting a new car next year.

Be Credit Card Smart

If you don't have your own credit card yet, chances are someone will offer you one in the near future. Credit cards are borrowed money, and you have to pay back what you spend in addition to a fee for borrowing that money (this is the interest rate). Let's say you got a credit card, and decided to buy a new iPod (\$300), a new cell phone (\$250), new *music* for the iPod (450 songs = \$450). Suddenly you've spent \$1,000, and you can't pay it back all at once. If that credit card has 18% interest, and you only pay the minimum amount each month, it'll take you three years to pay off that debt. And, it will cost you an extra **\$315.54**. You guessed it - you could've gotten another new iPod for that! Don't use credit cards without understanding how they work, and only spend as much as you can afford to pay off every month.

Pay Yourself First

So, you're not exactly Donald Trump yet (and if you are, we'd love to know how you became a millionaire at your age), but that doesn't mean you can't start thinking about how to become a millionaire now. The name of the game is investing, and if you start young, you'll be years ahead of everyone else. Talk to your parents about how they can help you start your own investments now. Who knows, maybe you are the next Donald Trump. After all, he didn't make his millions overnight either.

Investigating Before You Invest

Since we're telling you to think about investing, we have to tell you to be a smart investor. There are lots of con artists out there just ready to take your money. When you and your parents decide to invest, visit www.IndianaInvestmentWatch.com to make sure that the investment and the people selling it have filed the proper paperwork with the Secretary of State's Office. Don't be a victim! Always remember, **if it sounds too good to be true, it probably is**. Enough said!